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Aldi greens up with wind, solar power

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Aldi will buy wind energy for 10 years from two projects in Victoria and NSW and will have installed more than 100,000 solar panels on shops and distribution centres by late this year as it commits to 100 per cent renewable energy use by the end of 2021.

Power from Tilt Renewables' giant Dundonnell wind farm in western Victoria and Ratch Australia's Collector project in the NSW southern tablelands will help power Aldi's NSW and Victorian stores. They are expected to supply more than 180,000 megawatt-hours of electricity, helping avoid 160,000 tonnes of carbon emissions.



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Aldi Australia chief executive Tom Daunt said about 75 stores would get solar panels between now and the year end.

The project, started in 2015, is the largest commercial solar roll-out in Australia by far, said Oliver Hartley, managing director of commercial solar specialist Epho, which is installing most of the panels. It will allow Aldi to generate more than 15 per cent of its total energy use itself – typically providing all the daytime power for stores – and to reduce a further 41,000 tonnes of carbon emissions.

"It's these kind of roll-outs that can really allow [customers] to bring down costs and leverage efficiencies that normally a lot of other players just don't do," Mr Hartley said, contrasting Aldi's approach with others that install solar on individual stores.

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zero carbon emissions, given its extensive trucking operation that relies on fossil

locations not suitable for panels.

First corporate deal for Tilt

The Aldi contract is Tilt's first corporate power purchase agreement, with all its others in Australia or New Zealand with governments or "gentailers" – generators that own a retail arm – said CEO Deion Campbell.

It increases the share of contracted output at the 336 megawatt Dundonnell wind farm to 93 per cent, reducing exposure to the merchant market. Aldi will take power from the wind farm when it is generated, with no obligation on Tilt to "firm" it to provide around-the-clock supply.

"For us we're happy that they've been able to do that and clearly shown that they can then secure some renewable energy at a price that is attractive for them as a low-cost grocery supplier, and also achieve some of their wider corporate goals of decarbonising," Mr Campbell said.

[A delay in ramping up Dundonnell to full capacity](#) because of grid stability issues detected by the Australian Energy Market Operator would not affect the contract, Mr Campbell added.

Aldi's new target for green energy use comes after it has reduced the carbon intensity of its operations by 40 per cent since 2012, involving switching to LED lighting and energy-efficient chillers and installing solar panels.

Aldi Australia has written to its business partners and encouraged them to set science-based emissions targets by the end of 2024.

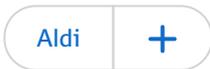
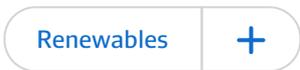
The retailer said its shift to renewable energy "should provide clear evidence to Australia's top energy users that renewable alternatives are affordable when factored into long-term planning".

Angela Macdonald-Smith writes on the resources industry with a focus on energy, including gas, oil, electricity and renewables. *Connect with Angela on [Twitter](#). Email Angela at amacdonald-smith@afr.com*



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